

United States Bankruptcy Court
Middle District of Pennsylvania

In re:
Mark T. Hazelton
Sarah R. Hazelton
Debtors

Case No. 19-01537-RNO
Chapter 12

CERTIFICATE OF NOTICE

District/off: 0314-4

User: AutoDocke
Form ID: pdf002

Page 1 of 2
Total Noticed: 35

Date Rcvd: Jan 27, 2020

Notice by first class mail was sent to the following persons/entities by the Bankruptcy Noticing Center on Jan 29, 2020.

db/jdb +Mark T. Hazelton, Sarah R. Hazelton, 339 Seymour Hill Road, Mansfield, PA 16933-8958
5184897 ++BANK OF AMERICA, PO BOX 982238, EL PASO TX 79998-2238
(address filed with court: Bank of America, PO Box 982238, El Paso, TX 79998)
5206496 +Bank of America, N.A., PO Box 982284, El Paso, TX 79998-2284
5184899 +CNH Industrial Capital, PO Box 71264, Philadelphia, PA 19176-6264
5184900 CNH Industrial Retail Accounts, PO Box 71264, Philadelphia, PA 19176-6264
5184901 CNH Productivity, PO Box 780004, Phoenix, AZ 85062-8004
5184898 +Chase, PO Box 15298, Wilmington, DE 19850-5298
5184902 Community LifeTeam Inc., White Rose Ambulance Services, 54 North Harrison Street, York, PA 17403-1224
5184903 +Farm Service Agency, 50 Plaza Lane, Wellsboro, PA 16901-1766
5200790 +Geisinger Health System, 100 North Academy Ave, Danville, PA 17822-0001
5184904 Geisinger Holy Spirit, PO Box 983034, Boston, MA 02298-3034
5184906 Jackson Sieglebaum Gastro, PO Box 45755, Baltimore, MD 21297-5755
5213047 +Johan Ashraffzadeh-Kian, 1635 Market St., 7th Fl., Philadelphia, PA 19103-2223
5184907 +Johan Ashraffzadeh-Kian, Esquire, 1635 Market Street, 7th Floor, Philadelphia, PA 19103-2223
5184908 John Deere Financial, 6400 NW 86th Street, PO Box 6600, Johnston, IA 50131-6600
5184909 +Joseph Orso, 339 Market Street, Williamsport, PA 17701-6329
5184910 Keystone Collects, PO Box 549, Irwin, PA 15642-0549
5280737 Northwest Bank, c/o David W. Raphael, Esquire, Grenen & Birsic, PC, One Gateway Center, 9th Floor, Pittsburgh, PA 15222
5280736 +Northwest Bank, 100 Liberty Street, Warren, PA 16365-2497
5198551 +Northwest Bank, f/k/a Northwest Savings Bank, P.O. Box 337, Warren, PA 16365-0337
5184911 +Northwest Savings Banks, 100 Liberty Street, Warren, PA 16365-2497
5184913 +Paul Jackson, 8367 Old State Road, Troy, PA 16947-9446
5219528 +Southern Tioga School District, c/o Keystone Collections Group, 546 Wendel Road, Irwin, PA 15642-7539
5184914 +Spector Gadon & Rosen, PC, 1635 Market Street, 7th Floor, Philadelphia, PA 19103-2290
5213048 +Spector Gadon Rosen Vinci P.C., 1635 Market St., 7th Fl., Philadelphia, PA 19103-2290
5219529 +Sullivan Township, c/o Keystone Collections Group, 546 Wendel Road, Irwin, PA 15642-7539
5184915 +USDA-NRCS, 50 Plaza Lane, Wellsboro, PA 16901-1766
5184917 +WOC Energy, 44 Reuter Blvd., Towanda, PA 18848-2153
5184916 West Shore Anesthesia LTD, PO Box 947, Chambersburg, PA 17201-0947

Notice by electronic transmission was sent to the following persons/entities by the Bankruptcy Noticing Center.

5184896 E-mail/Text: ally@ebn.phinsolutions.com Jan 27 2020 19:20:29 Ally Auto, PO Box 9001951, Louisville, KY 40290-1951
5207127 E-mail/Text: ally@ebn.phinsolutions.com Jan 27 2020 19:20:29 Ally Bank, PO Box 130424, Roseville, MN 55113-0004
5184905 E-mail/Text: prock31@frontiernet.net Jan 27 2020 19:20:26 H. Rockwell Son, Inc., 430 Troy Street, PO Box 197, Canton, PA 17724
5196593 +E-mail/Text: BKRMailOps@weltman.com Jan 27 2020 19:21:18 John Deere Financial, c/o Weltman, Weinberg & Reis Co. LPA, P.O. Box 93784, Cleveland, OH 44101-5784
5184912 +E-mail/Text: RVSVCBICNOTICE1@state.pa.us Jan 27 2020 19:21:13 PA Department of Revenue, Bankruptcy Department, PO Box 280946, Harrisburg, PA 17128-0946
5187504 E-mail/Text: RVSVCBICNOTICE1@state.pa.us Jan 27 2020 19:21:13 Pennsylvania Department of Revenue, Bankruptcy Division, PO Box 280946, Harrisburg PA 17128-0946

TOTAL: 6

***** BYPASSED RECIPIENTS (undeliverable, * duplicate) *****

cr* +Northwest Bank, 100 Liberty Street, Warren, PA 16365-2497

TOTALS: 0, * 1, ## 0

Addresses marked '+' were corrected by inserting the ZIP or replacing an incorrect ZIP.
USPS regulations require that automation-compatible mail display the correct ZIP.

Transmission times for electronic delivery are Eastern Time zone.

Addresses marked '++' were redirected to the recipient's preferred mailing address
pursuant to 11 U.S.C. 342(f)/Fed.R.Bank.PR.2002(g)(4).

***** BYPASSED RECIPIENTS (continued) *****

I, Joseph Speetjens, declare under the penalty of perjury that I have sent the attached document to the above listed entities in the manner shown, and prepared the Certificate of Notice and that it is true and correct to the best of my information and belief.

Meeting of Creditor Notices only (Official Form 309): Pursuant to Fed. R. Bank. P. 2002(a)(1), a notice containing the complete Social Security Number (SSN) of the debtor(s) was furnished to all parties listed. This official court copy contains the redacted SSN as required by the bankruptcy rules and the Judiciary's privacy policies.

Date: Jan 29, 2020

Signature: /s/Joseph Speetjens

CM/ECF NOTICE OF ELECTRONIC FILING

The following persons/entities were sent notice through the court's CM/ECF electronic mail (Email) system on January 27, 2020 at the address(es) listed below:

Angela Sheffler Abreu on behalf of Creditor Northwest Bank AAbreu@nwbcorp.com,
Angela.Abreu@northwest.com
Daniel J Dugan on behalf of Plaintiff Spector Gadon Rosen Vinci P.C. ddugan@lawsgr.com,
nabrams@lawsgr.com
David A Scott on behalf of Creditor CNH Industrial Capital America LLC scott@lg-law.com
David William Raphael on behalf of Creditor Northwest Bank draphael@grenenbirsic.com,
mcupec@grenenbirsic.com
James Warmbrodt on behalf of Creditor United States of America, acting through the Farm
Service Agency, U.S. Department of Agriculture bkgroup@kmillawgroup.com
Mitchell A. Sommers on behalf of Debtor 1 Mark T. Hazelton sommersesq@aol.com,
kjober@dejazzd.com
Mitchell A. Sommers on behalf of Defendant Sarah R. Hazelton sommersesq@aol.com,
kjober@dejazzd.com
Mitchell A. Sommers on behalf of Defendant Mark T. Hazelton sommersesq@aol.com,
kjober@dejazzd.com
Mitchell A. Sommers on behalf of Debtor 2 Sarah R. Hazelton sommersesq@aol.com,
kjober@dejazzd.com
United States Trustee ustpregion03.ha.ecf@usdoj.gov
William G Schwab on behalf of Trustee William G Schwab (Trustee) ECF@uslawcenter.com,
schwab@uslawcenter.com
William G Schwab (Trustee) schwab@uslawcenter.com,
wschwab@iq7technology.com;ecf@uslawcenter.com

TOTAL: 12

**UNITED STATES BANKRUPTCY COURT
FOR THE EASTERN DISTRICT OF PENNSYLVANIA**

FIRST AMENDED CHAPTER 12 PLAN

1. Debtors filed the within Chapter 12 on April 12, 2019.
2. Debtors own real estate located at 339 Seymour Hill Road, Mansfield, Tioga County, PA. That property encumbered is the primary residence. There are various liens and judgments against the residence. Debtors are entitled to their exemption as the primary residence. In order of priority, the liens are:
 - a) Northwest Savings Bank, 100 Liberty St, Warren, PA. First Position, \$136,746.50 on real estate of \$172688.60. There is a UCC-1 filed to this claim. NW has first position with original mortgage of \$111,746 and third position of \$25,000 approximately
 - b) Farm Service Agency, 50 Plaza Lane, Wellsboro, PA. Second position, \$214,096.00 on real estate of \$172,688.00. \$202,173.50 are secured
 - c) Farm Service Agency, 4rd position (without any equity) \$30,983.00 but likely no equity.
 - d) Spector, Gadon and Rosen, PC, 1635 Market Street, 7th Floor, Philadelphia PA 19103. Judgment of \$68,660.35, against Mark Hazelton only. Likely there is no equity. This is a judgment entered in Philadelphia Court of Common Please. Spector has filed a motion seeking that the debt be declared non-dischargeable.
3. There is approximately \$160,531.11 in unsecured creditors, not counting Judgment or Lien Creditors unsecured by any equity.
4. Mark Hazelton has the CNH loan on the NH FP230 Harvester, and both debtors are on the Ally Auto loan for the 2015 Chevy Traverse. Ally has agreed to

resolve the auto loan outside of the plan as only 7 payments remain. Approximately \$19,800 remains on the CNH Harvester loan. FSA also maintains a lien on the CNH Harvester via UCC-1 filed in Harrisburg.

5. Currently, the farm is providing income to the household, and debtors are making combined payments of \$2,500 monthly to the Trustee, Northwest's escrow account, and Ally. The Northwest escrowed insurance policy also covers the farm livestock, buildings, and equipment to the benefit of all creditors. Last year at this time, the debtors were not able to make these payments due to the farm's lack of livestock production stemming from a complete lack of quality feed. Sarah Hazelton's job as a school teacher continues to be approximately \$40000 a year at best. Debtors believe that the farm will be able to sustain full payments outlined in the Amended by Plan by no later than September of 2020, and likely by June of 2020. Milk cow numbers and feed in the silos should be at ideal operating capacity by September 2020 barring another generational weather event such as the historical rain levels seen the last two springs.

6. Debtors are currently in litigation regarding the issue of non-dischargeability of attorney's fees and related costs. Specifically, the Spector law firm objected to transfer of assets to Sarah Hazelton. Debtors dispute this. Significant counterclaims exist also in Philadelphia common pleas court, which dismissed SGR's summary judgment regarding the claims and counterclaims. The case would have gone to trial but for this filing

7. Property taxes and insurance policies are current.

8. Debtor proposes to pay a total \$3185.14 monthly to creditors over 60 months to be split to all parties as follows

- a) Loans with secured creditors termed out as allowed under Chapter 12 as follows
 - a. Northwest mortgage of \$111,746 at 6% interest 30 year term \$669.97
 - b. Northwest equity of \$25,000 at 3.5% and 30 year term \$112.26
 - c. FSA \$214,096 at 3% and 30 year term \$902.64
 - d. FSA \$30,983 at 3% and 30 year term \$130.63
 - e. CNH \$19,800 at 4% and 5 year term \$364.65
- b) The Spector Firm, as settlement, will be paid \$400 monthly 5 year term which shall constitute payment in full
- c) Unsecured creditors not otherwise provided for will receive \$100 monthly for 5 years
- d) \$505 a month will be paid into an escrow account to Northwest Bank (claim 5-1).
- e) Debtors shall make remaining payments on Traverse to Ally

f) Debtor must address the EQUIP contract with NRCS. The Farm needs to complete the NRCS contract to bring farm into compliance with state and federal environmental laws as well as to adhere to contractual liability of the contract. NRCS contract be held in escrow through duration of bankruptcy and fulfilled post bankruptcy or earlier if farm profits permit. US government is holding \$280,000 in escrow account earmarked for the environmental impact Hazelton Contract. The Hazeltons will need to come up with \$75,000 in matching funds for this to happen. This will have to be addressed during the plan's pendency from additional profits, asset liquidation post completion of the Chapter 12 Plan, etc.

g) All attorneys fees shall be paid by the debtors, with fees to be paid on a regular basis either from payments to the trustee or directly from the Debtors.

- h) The Chapter 12 Trustee is to be paid from the plan payments. Debtors have paid to the trustee the sum of \$3600 already.
- i) The Debtors' ability to make the prescribed Plan payments is based directly off the five year historical average from the provided tax returns, which is the gold standard for determining repayment capacity in the agriculture sector.

j) Should secured debtors not confirm the Chapter 12 Plan, the Debtors reserve the right to convert to a Chapter 7. Under Chapter 7, secured creditors likely lose substantially versus the Chapter 12 Plan as the Debtors will take their residential credit equity and auction services will demand 10-15% premiums. Projected losses to the secured creditors under Chapter 7 are as follows:

Northwest loss of \$46,000
Farm service loss of \$80,000
Spector firm loss of \$68,000

k) Debtors shall be permitted to make 75 % payments the first year with an increase of 125% payments the second year should economic conditions allow.

Wherefore, it is in the best interest of all creditors and particularly the secured creditors that this Amended Chapter 12 Plan be confirmed.

Respectfully Requested,

s/Mitchell A. Sommers
Mitchell A. Sommers, Esquire
Attorney for Debtors
Attorney I.D. No. 38505
107 W Main Street
Ephrata, PA 17522
717-733-6607

Date: January 27, 2020